



THE COMMITTEE ON ENERGY AND COMMERCE

INTERNAL MEMORANDUM

April 5, 2011

MEMORANDUM

To: Members, Subcommittee on Energy and Power

From: Committee Staff

Subject: American Energy Initiative Hearing/"TRAIN Act"

On Thursday, April 7, 2011, at 1:00 p.m. in room 2322 of the Rayburn House Office Building, the Subcommittee on Energy and Power will hold the third day of a multi-day hearing entitled "The American Energy Initiative." This day of the hearing will focus on draft legislation that would require analysis of the cumulative impact of certain rules and actions of the Environmental Protection Agency on global economic competitiveness, energy prices, employment, and reliability of the U.S. bulk power supply.

I. Witnesses

Gerry Cauley

President and CEO
North American Reliability Administration

Mark A. Bailey

President and CEO
Big Rivers Electric Corporation

Timothy R. Hess

Division Vice President
Glatfelter

Scott Segal

Director
Electric Reliability Coordinating Council

Robin Ridgway

Director of Environmental Health, Safety
and Regulatory Compliance
Purdue University

At the time of this memorandum's release, other witnesses to be invited were not finalized.

II. Background

In the past two years, the Environmental Protection Agency (EPA) has promulgated numerous final and proposed rules that will require retrofitting of power plants, increased fees for new construction and operation of units from diverse sectors of the economy, potential construction delays, revisions to state plans to implement federal requirements, and the adoption of Best Available Control Technology measures to address greenhouse gas emissions from diverse sources.

EPA's own analysis indicates that some of these rules will have significant costs; other actions have not yet been analyzed. There has not, however, been an analysis of the cumulative impacts of these regulations on global competitiveness, cumulative change in energy and fuel prices, employment, or reliability of the electricity supply. Nor has there been an analysis of the cumulative impacts on consumers; small businesses; regional economies; state, local and tribal governments; specific labor markets; and agriculture.

III. Summary of the Draft Legislation

The "Transparency in Regulatory Analysis of Impacts on the Nation Act of 2011" (the TRAIN Act) would do the following:

- Require an interagency committee to analyze the cumulative impacts of certain significant rules issued by the Environmental Protection Agency in an effort to better understand how these policies are impacting America's global economic competitiveness, electricity and fuel prices, employment, and reliability of electricity supply.
- Call for an analysis of the cumulative impacts of EPA's rules on consumers; small businesses; state, local and tribal governments; labor markets; and agriculture.

IV. Issues

The following issues will be examined at the hearing:

- The necessity of analysis of cumulative impacts of environmental regulations that impact the energy sectors and global economic competitiveness;
- The feasibility of compliance with multiple regulations that may require significant expenditure on plant retrofits; and,
- The potential for these regulations to cumulatively impact jobs, consumers, small businesses, regional economies, and agriculture.

V. Staff Contact

If you have any questions regarding this hearing, please contact Heidi King at 5-2927.